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DE RUEHJM #2511 1701525 ZNY CCCCC ZZH O 191525Z JUN 06 FM AMCONSUL JERUSALEM TO RUEHC/SECSTATE WASHDC IMMEDIATE 2865 INFO RUEHXK/ARAB ISRAELI COLLECTIVE PRIORITY

C O N F I D E N T I A L JERUSALEM 002511

STPDTS

NOFORN SIPDIS

NEA FOR FRONT OFFICE; NSC FOR ABRAMS/DORAN/LOGERFO

E.O. 12958: DECL: 06/19/2016

TAGS: <u>KPAL KWBG PREL PGOV IS</u>
SUBJECT: FATAH-HAMAS REPORTEDLY NARROWING DIFFERENCES ON

PRISONERS' INITIATIVE

REF: JERUSALEM 02470

Classified By: Consul General Jake Walles, per reasons 1.4 (b) and (d)

11. (C) SUMMARY: Fatah sources reported that an agreement on the prisoners' initiative is near. Within Fatah, preliminary discussions have begun on a national unity government (NUG). The Interior Ministry Special Security Force (SSF) is still deployed in Gaza, despite reports of a June 14 agreement by Isma'il Haniyyah to withdraw the SSF from Gaza's streets. END SUMMARY.

Consensus Growing On Prisoners' Document

- 12. (C) Fatah sources reported that an agreement on the prisoners' initiative could be reached in the next week. (NOTE: Abu Mazen has indicated that he will cancel the national referendum, scheduled for July 26, if the factions reach an agreement on the prisoners' initiative. END NOTE.) Representatives from Fatah, HAMAS, PFLP, DFLP and PIJ are working on a draft national unity document based on the prisoners' initative to be presented for discussion at a June 19 meeting of the National and Islamic Factions in Gaza.
- 13. (C) Fatah PLC bloc leader Azzam al-Ahmad reported that HAMAS has agreed to 16 (out of 18) articles of the prisoners' initiative, but is pushing to introduce new language into the text. HAMAS reportedly wants to condition recognition of the PLO as the sole representative of Palestinians and is pushing to condition acceptance of previous PLO commitments and the 2002 Arab League initiative on "Israeli acceptance." PIJ representatives have objected to clauses limiting the "right of resistance" to Palestinian territories captured by Israel in 1967.

National Unity Government -----

14. (C) Fatah sources told ConGen POL FSN on June 18 that HAMAS has indicated its willingness to form a NUG following an agreement on the prisoners' initiative. Fatah official Fahmi al-Zaharir told POL FSN June 19 that Fatah is pushing for the creation of a new government, led by independents and technocrats, with an independent national personality as prime minister. Al-Zaharir reported that Nablus-based, Fatah-affiliated, businessman Munib al-Masri is a potential candidate (biographical information via septel). Al-Zaharir predicted that PM Isma'il Haniyyah will not oppose a cabinet reshuffle to incorporate technocrats and representatives from other factions, but will fight to keep his premiership.

Gaza Violence Continues; SSF Still Deployed

- ¶5. (C) Gaza-based Presidential security sources said that five RPGs were fired at PSO headquarters in Khan Yunis on June 18 at 0830L, causing minor damage to the building but no casualties. In addition, At least three Qassam rockets were launched from Gaza June 16-19. Fatah's Abu al-Rish Brigades and PIJ claimed responsibility for the attacks.
- 16. (C) ConGen FSNI in Gaza reported June 19 that the HAMAS-affiliated Special Security Force (SSF) remains deployed in Gaza at major intersections and several other areas, despite a reported June 14 agreement to remove the SSF from the streets and integrate them into the PA security forces(reftel).

Comment

17. (C) Speculation about an imminent agreement has intensified in recent days, but much of the commentary is second -- or third-hand. While certain elements in Fatah and HAMAS are eager for an agreement, the leadership on both sides (including Damascus, in the case of HAMAS) has not yet signed off.

WALLES